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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

June 7, 1995

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
Room 22, Mail Stop 1170
1919 M Street, NW
Washington, DC 20554

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Re: IB Docket No. 95-41
Notice of Proposed Rulemaking
FCC 95-146

Dear Mr. Caton:

Enclosed for submission to the Federal Communications Commission are an original and four copies of Keystone Communications Corporation's comments in the above-captioned proceeding.

Please contact the undersigned counsel for Keystone if there are any questions.

Sincerely,

A handwritten signature in cursive script that reads "James T. Roche".

James T. Roche

Enclosures

400 North Capitol, N.W., Suite 880
Washington, DC 20001
Telephone (202) 737-4440 FAX (202) 737-1476

New York • Los Angeles • Washington, D.C. • San Diego • Salt Lake City

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**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

**FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY**

In the Matter of

Amendment to the Commission's
Regulatory Policies Governing
Domestic Fixed Satellites and
Separate International Satellite
Systems

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IB Docket No. 95-41

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**COMMENTS OF
KEYSTONE COMMUNICATIONS CORPORATION**

Keystone Communications Corporation ("Keystone") hereby submits its Comments in support of adoption of the Commission's Notice of Proposed Rulemaking, FCC 95-146, released April 25, 1995 in the above-captioned proceeding ("NPRM"). Keystone supports the Commission's proposals to treat all US-licensed geostationary fixed-satellites under a single regulatory scheme and to permit all such US-licensed fixed-satellites to provide domestic services and international services on a co-primary basis (NPRM at para. 1). In addition, Keystone urges the Commission to clarify its proposals in this proceeding on the need for additional frequency coordination and to revise its proposed rules to eliminate the licensing requirement for international receive-only earth stations.

Keystone Communications Corporation, headquartered in Salt Lake City, Utah, is one of the leading providers of domestic and international video and audio program distribution services, utilizing Ku-band and C-band transmit / receive and receive-only earth stations, and point-to-point microwave and fiber optic facilities. Keystone leases

more than 10 international satellite transponders and 20 domestic satellite transponders in connection with earth stations in California, New Jersey, New York, Utah and the Washington, DC area. Keystone utilizes additional international and domestic satellite transponders on an as-needed basis.

A. New Domestic and International Satellite Regulatory Policy

The NPRM focuses on the fact that the regulatory distinction between US-licensed domestic and international satellites is no longer necessary. Satellite earth stations located in the United States don't make that distinction. The Commission hopes thereby to increase competition in fixed-satellite services by increasing the amount of satellite capacity available for both domestic and international use and to eliminate regulations that impair businesses' ability to meet their customers' needs (NPRM at para. 1). Furthermore, the Commission's proposal will permit geostationary fixed-satellite service systems to provide both domestic and international service without the regulatory delays associated with a license modification request (NPRM at para. 37).

The Commission stated, in its Order in Permissible Services of US Separate Satellite Systems, that it is the policy of the Federal Communications Commission to facilitate competition in domestic and international communications markets to the maximum extent possible (7 FCC Rcd 2313 (1992) at para. 5). Treating all US-licensed geostationary fixed-satellites under a single regulatory scheme would further that policy. Keystone fully supports the Commission's proposals to revise the regulatory treatment of such US-licensed communications satellites.

B. Need For Additional Frequency Coordination

The Commission should make it clear that where an appropriate orbital arc is coordinated and licensed, and where there are no technical changes in operations, a satellite earth station operator may access any US-licensed geostationary fixed-satellite in that arc without the need for additional frequency coordination. Of course, if there were changes in frequencies, emissions, power, orbital arc, etc., additional C-band frequency coordination would be required.

Earth station applicants should be given the opportunity to request a license covering the domestic arc and the international satellite orbital arc. This would be especially beneficial for fully steerable antennas capable of both domestic and international operations. Once the appropriate orbital arc is "cleared," no additional frequency coordination then would be necessary unless there were technical changes in operations.

C. Deregulation of International Receive-Only Earth Stations

In the pending Notice of Proposed Rulemaking, FCC 93-89, released March 8, 1993, in CC Docket No. 93-23, (RM - 7931), the Commission proposed to deregulate all receive-only international earth stations, except INTELSAT earth stations which are operationally connected to the US domestic common carrier network. The FCC believed that such change would open new markets and services for international communication transmissions and make international services, such as video programming, more feasible for US consumers. In the instant proceeding, the

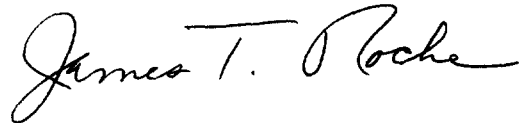
Commission confuses the issue by including full licensing regulation for all international receive-only earth stations except those involved with INTELNET services (see proposed Rule §25.131).

The Commission should once and for all exclude international receive-only earth stations from licensing regulation. Receive-only earth stations, whether domestic or international, are passive devices having no transmit capability, and therefore, they cannot possibly create interference with any satellites or other users of radio frequencies. Any licensing requirement for such facilities is unnecessary, unduly burdens applicants and the Commission, and delays the introduction of service. The public interest reasons which supported deregulation of INTELNET receive-only earth stations equally support deregulation of all other non-operationally connected international receive-only earth stations.

In early 1993, the FCC concluded that the time had come to remove the licensing requirement for international receive-only earth stations (see NPRM, FCC 93-89, supra). Keystone urges the Commission now to adopt the regulatory policy that all international receive-only earth stations not subject to any international treaty restrictions are free to operate without a license and are eligible for registration.

WHEREFORE, Keystone Communications Corporation supports expeditious adoption of the Commission's NPRM as discussed herein.

Respectfully submitted,

A handwritten signature in cursive script that reads "James T. Roche".

James T. Roche
Regulatory Counsel
Keystone Communications Corporation
Suite 880
400 N. Capitol Street, NW
Washington, DC 20001
202/737-4440

June 7, 1995